Adopted

Rejected

COMMITTEE REPORT

YES: 7 NO: 5

MR. SPEAKER:

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(1) engineers;

1 Page 2, delete lines 11 through 24, begin a new paragraph and insert: "SECTION 2. IC 22-3-2-2 IS AMENDED TO READ AS 3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Every employer 4 and every employee, except as stated in IC 22-3-2 through IC 22-3-6, 5 shall comply with the provisions of IC 22-3-2 through IC 22-3-6 6 respectively to pay and accept compensation for personal injury or 7 death by accident arising out of and in the course of the employment, 8 and shall be bound thereby. The burden of proof is on the employee. 9 The proof by the employee of an element of a claim based on 10 personal injury or death by accident does not create a presumption 11 in favor of the employee with regard to another element of the 12 claim. 13 (b) IC 22-3-2 through IC 22-3-6 does not apply to railroad 14 employees engaged in train service as:

1	(2) firemen;			
2	(3) conductors;			
3	(4) brakemen;			
4	(5) flagmen;			
5	(6) baggagemen; or			
6	(7) foremen in charge of yard engines and helpers assigned			
7	thereto.			
8	(c) IC 22-3-2 through IC 22-3-6 does not apply to employees of			
9	municipal corporations in Indiana who are members of:			
10	(1) the fire department or police department of any such			
11	municipality; and			
12	(2) a firefighters' pension fund or of a police officers' pension			
13	fund.			
14	However, if the common council elects to purchase and procure			
15	worker's compensation insurance to insure said employees with respect			
16	to medical benefits under IC 22-3-2 through IC 22-3-6, the medical			
17	provisions of IC 22-3-2 through IC 22-3-6 apply to members of the fire			
18	department or police department of any such a municipal corporation			
19	who are also members of a firefighters' pension fund or a police			
20	officers' pension fund.			
21	(d) When any municipal corporation purchases or procures worker's			
22	compensation insurance covering members of the fire department or			
23	police department who are also members of a firefighters' pension fund			
24	or a police officers' pension fund, and pays the premium or premiums			
25	for such insurance, the payment of such premiums is a legal and			
26	allowable expenditure of funds of any municipal corporation.			
27	(e) Except as provided in subsection (f), where the common council			
28	has procured worker's compensation insurance under this section, any			
29	a member of such the fire department or police department employed			
30	in the city carrying such worker's compensation insurance under this			
31	section is limited to recovery of medical and surgical care, medicines,			

(f) If the medical benefits provided under a worker's compensation policy procured by the common council terminate for any reason before

laboratory, curative and palliative agents and means, x-ray, diagnostic

and therapeutic services to the extent that such the services are

provided for in the worker's compensation policy procured by such the

city, and shall not also recover in addition to that policy for such the

same benefits provided in IC 36-8-4.

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the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.

- (g) The provisions of IC 22-3-2 through IC 22-3-6 apply to:
 - (1) members of the Indiana general assembly; and
 - (2) field examiners of the state board of accounts.".

Page 14, between lines 3 and 4, begin a new paragraph and insert: "SECTION 5. IC 22-3-3-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) As used in this section, "board" refers to the worker's compensation board created under IC 22-3-1-1.

- (b) If an employee who from any cause, had lost, or lost the use of, one (1) hand, one (1) arm, one (1) foot, one (1) leg, or one (1) eye, and in a subsequent industrial accident becomes permanently and totally disabled by reason of the loss, or loss of use of, another such member or eye, the employer shall be liable only for the compensation payable for such second injury. However, in addition to such compensation and after the completion of the payment therefor, the employee shall be paid the remainder of the compensation that would be due for such total permanent disability out of a special fund known as the second injury fund, and created in the manner described in subsection (c).
- (c) Whenever the board determines under the procedures set forth in subsection (d) that an assessment is necessary to ensure that fund beneficiaries, including applicants under section 4(e) of this chapter, continue to receive compensation in a timely manner for a reasonable prospective period, the board shall send notice not later than October 1 in any year to:
 - (1) all insurance carriers and other entities insuring or providing coverage to employers who are or may be liable under this article to pay compensation for personal injuries to or the death of their employees under this article; and
- (2) each employer carrying the employer's own risk; stating that an assessment is necessary. After June 30, 1999, the board may conduct an assessment under this subsection not more than one (1) time annually. Every insurance carrier and other entity insuring or providing coverage to employers who are or may be liable under this article to pay compensation for personal injuries to or death of their employees under this article and every employer carrying the

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employer's own risk, shall, within thirty (30) days of the board sending notice under this subsection, pay to the worker's compensation board for the benefit of the fund an assessed amount that The total amount of the assessment may not exceed two and one-half percent (2.5%) of the total amount of all worker's compensation paid to injured employees or their beneficiaries under IC 22-3-2 through IC 22-3-6 for the calendar year next preceding the due date of such payment. For the purposes of calculating the assessment under this subsection, the board may consider payments for temporary total disability, temporary partial disability, permanent total impairment, permanent partial impairment, or death of an employee. The board may not consider payments for medical benefits in calculating an assessment under this subsection. If the amount to the credit of the second injury fund on or before October 1 of any year exceeds one million dollars (\$1,000,000), the assessment allowed under this subsection shall not be assessed or collected during the ensuing year. But when on or before October 1 of any year the amount to the credit of the fund is less than one million dollars (\$1,000,000), the payments of not more than two and one-half percent (2.5%) of the total amount of all worker's compensation paid to injured employees or their beneficiaries under IC 22-3-2 through IC 22-3-6 for the calendar year next preceding that date shall be resumed and paid into the fund. The board may not use an assessment rate greater than twenty-five hundredths of one percent (0.25%) above the amount recommended by the study performed before the assessment. The board shall assess all employers for the liabilities, including administrative expenses, of the second injury fund. The total amount of the assessment shall be allocated between self-insured employers and insured employers based on paid losses for the preceding calendar year. The method of assessing self-insured employers shall be based on paid losses. The total amount of assessments allocated to insured employers shall be collected by the insured employers' worker's compensation insurers according to the proportion of each insurer's worker's compensation direct standard premiums during the preceding calendar year in relation to all insurer's worker's compensation direct standard premiums during the preceding calendar year. The portion of the total amount that is collected from self-insured employers is a sum equal to that proportion of the paid losses for the preceding calendar

year, which the paid losses of all self-insured employers bore to the total paid losses made by all self-insured employers and insured employers during the preceding calendar year. The portion of the total amount that is collected from insured employers is a sum equal to that proportion of the total paid losses for the preceding calendar year, which the total paid losses on behalf of all insured employers bore to the total paid losses on behalf of all self-insured employers and insured employers during the preceding calendar year. An employer who has ceased to be a self-insurer continues to be liable for assessments based on paid losses made by the employer in the preceding calendar year.

- (d) The board shall enter into a contract with an actuary or another qualified firm that has experience in calculating worker's compensation liabilities. Not later than September 1 of each year, the actuary or other qualified firm shall calculate the recommended funding level of the fund based on the previous year's claims and inform the board of the results of the calculation. If the amount to the credit of the fund is less than the amount required under subsection (c), the board may conduct an assessment under subsection (c). The board shall pay the costs of the contract under this subsection with money in the fund.
- (e) An assessment collected under subsection (c) on an employer who is not self-insured must be assessed through a surcharge based on the employer's premium. An assessment collected under subsection (c) does not constitute an element of loss, but for the purpose of collection shall be treated as a separate cost imposed upon insured employers. A premium surcharge under this subsection must be collected at the same time and in the same manner in which the premium for coverage is collected, and must be shown as a separate amount on a premium statement. A premium surcharge under this subsection must be excluded from the definition of premium for all purposes, including the computation of insurance producer commissions or premium taxes. However, an insurer may cancel a worker's compensation policy for nonpayment of the premium surcharge. A cancellation under this subsection must be carried out under the statutes applicable to the nonpayment of premiums.
- (f) The sums shall be paid by the board to the treasurer of state, to be deposited in a special account known as the second injury fund. The funds are not a part of the general fund of the state. Any balance

remaining in the account at the end of any fiscal year shall not revert to the general fund. The funds shall be used only for the payment of awards of compensation and expense of medical examinations or treatment made and ordered by the board and chargeable against the fund pursuant to this section, and shall be paid for that purpose by the treasurer of state upon award or order of the board.

- (g) If an employee who is entitled to compensation under IC 22-3-2 through IC 22-3-6 either:
 - (1) exhausts the maximum benefits under section 22 of this chapter without having received the full amount of award granted to the employee under section 10 of this chapter; or
 - (2) exhausts the employee's benefits under section 10 of this chapter;

then such employee may apply to the board, who may award the employee compensation from the second injury fund established by this section, as follows under subsection (h).

- (h) An employee who has exhausted the employee's maximum benefits under section 10 of this chapter may be awarded additional compensation equal to sixty-six and two-thirds percent (66 2/3%) of the employee's average weekly wage at the time of the employee's injury, not to exceed the maximum then applicable under section 22 of this chapter, for a period of not to exceed one hundred fifty (150) weeks upon competent evidence sufficient to establish:
 - (1) that the employee is totally and permanently disabled from causes and conditions of which there are or have been objective conditions and symptoms proven that are not within the physical or mental control of the employee; and
 - (2) that the employee is unable to support the employee in any gainful employment, not associated with rehabilitative or vocational therapy.
- (i) The additional award may be renewed during the employee's total and permanent disability after appropriate hearings by the board for successive periods not to exceed one hundred fifty (150) weeks each. The provisions of this section apply only to injuries occurring subsequent to April 1, 1950, for which awards have been or are in the future made by the board under section 10 of this chapter. Section 16 of this chapter does not apply to compensation awarded from the second injury fund under this section.

(j) All insurance carriers subject to an assessment under this section are required to provide to the board:

(1) not later than January 31 each calendar year; and

(2) not later than thirty (30) days after a change occurs; the name, address, and electronic mail address of a representative authorized to receive the notice of an assessment.

SECTION 6. IC 22-3-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. In all cases of the death of an employee from an injury by an accident arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such the employee, not exceeding six seven thousand five hundred dollars (\$6,000)."

Page 21, between lines 35 and 36, begin a new paragraph and insert: "SECTION 8. IC 22-3-3-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) The power and jurisdiction of the worker's compensation board over each case shall be continuing and from time to time it may, upon its own motion or upon the application of either party, on account of a change in conditions, make such modification or change in the award ending, lessening, continuing, or extending the payments previously awarded, either by agreement or upon hearing, as it may deem just, subject to the maximum and minimum provided for in IC 22-3-2 through IC 22-3-6.

- (b) Upon making any such change, the board shall immediately send to each of the parties a copy of the modified award. No such modification shall affect the previous award as to any money paid thereunder.
- (c) The board shall not make any such modification upon its own motion nor shall any application therefor be filed by either party after the expiration of two (2) years from the **latest of the following:**
 - (1) The last day for which compensation was paid under the original award made either by agreement or upon hearing, except that applications for increased permanent partial impairment are barred unless filed within one (1) year from the last day for which compensation was paid for:
- 37 (A) temporary total disability;
 - (B) permanent partial impairment; or

(C) permanent total disability.

2	(2) The date of an award for:			
3	(A) temporary total disability;			
4	(B) permanent partial impairment; or			
5	(C) permanent total disability.			
6	(3) The last day that medical services under section 4 of this			
7	chapter were provided to the employee.			
8	The board may at any time correct any clerical error in any finding or			
9	award.			
10	SECTION 9. IC 22-3-7-2 IS AMENDED TO READ AS			
11	FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Every employer			
12	and every employee, except as stated in this chapter, shall comply with			
13	this chapter, requiring the employer and employee to pay and accept			
14	compensation for disablement or death by occupational disease arising			
15	out of and in the course of the employment, and shall be bound thereby			
16	The burden of proof is on the employee. The proof by the employee			
17	of an element of a claim based on disablement or death by			
18	occupational disease does not create a presumption in favor of the			
19	employee with regard to another element of the claim.			
20	(b) This chapter does not apply to employees of municipal			
21	corporations in Indiana who are members of:			
22	(1) the fire department or police department of any such a			
23	municipality; and			
24	(2) a firefighters' pension fund or a police officers' pension fund.			
25	However, if the common council elects to purchase and procure			
26	worker's occupational disease insurance to insure said the employees			
27	with respect to medical benefits under this chapter, the medical			
28	provisions apply to members of the fire department or police			
29	department of any such a municipal corporation who are also members			
30	of a firefighters' pension fund or a police officers' pension fund.			
31	(c) When any municipal corporation purchases or procures worker's			
32	occupational disease insurance covering members of the fire department			
33	or police department who are also members of a firefighters' pension			
34	fund or a police officers' pension fund and pays the premium or			
35	premiums for the insurance, the payment of the premiums is a legal and			
36	allowable expenditure of funds of any municipal corporation.			
37	(d) Except as provided in subsection (e), where the common council			

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has procured worker's occupational disease insurance as provided under

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this section, any a member of the fire department or police department employed in the city carrying the worker's occupational disease insurance under this section is limited to recovery of medical and surgical care, medicines, laboratory, curative and palliative agents and means, x-ray, diagnostic and therapeutic services to the extent that the services are provided for in the worker's occupational disease policy so procured by the city, and may not also recover in addition to that policy for the same benefits provided in IC 36-8-4.

- (e) If the medical benefits provided under a worker's occupational disease policy procured by the common council terminate for any reason before the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.
- (f) Nothing in this section affects the rights and liabilities of employees and employers had by them prior to April 1, 1963, under this chapter.

SECTION 10. IC 22-3-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. In all cases of the death of an employee from an occupational disease arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such the employee, not exceeding six seven thousand five hundred dollars (\$6,000)."

Page 44, between lines 28 and 29, begin a new paragraph and insert: "SECTION 14. IC 22-3-7-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) If the employer and the employee or the employee's dependents disagree in regard to the compensation payable under this chapter, or, if they have reached such an agreement, which has been signed by them, filed with and approved by the worker's compensation board, and afterward disagree as to the continuance of payments under such agreement, or as to the period for which payments shall be made, or as to the amount to be paid, because of a change in conditions since the making of such agreement, either party may then make an application to the board for the determination of the matters in dispute. When compensation which is payable in accordance with an award or by agreement approved by the board is ordered paid in a lump sum by the board, no review shall

be had as in this subsection mentioned.

- (b) The application making claim for compensation filed with the worker's compensation board shall state the following:
 - (1) The approximate date of the last day of the last exposure and the approximate date of the disablement.
 - (2) The general nature and character of the illness or disease claimed.
 - (3) The name and address of the employer by whom employed on the last day of the last exposure, and if employed by any other employer after such last exposure and before disablement, the name and address of such other employer or employers.
 - (4) In case of death, the date and place of death.
 - (5) Amendments to applications making claim for compensation which relate to the same disablement or disablement resulting in death originally claimed upon may be allowed by the board in its discretion, and, in the exercise of such discretion, it may, in proper cases, order a trial de novo. Such amendment shall relate back to the date of the filing of the original application so amended.
- (c) Upon the filing of such application, the board shall set the date of hearing, which shall be as early as practicable, and shall notify the parties, in the manner prescribed by the board, of the time and place of hearing. The hearing of all claims for compensation on account of occupational disease shall be held in the county in which the last exposure occurred or in any adjoining county, except when the parties consent to a hearing elsewhere. Claims assigned to an individual board member that are considered to be of an emergency nature by that board member, may be heard in any county within the board member's jurisdiction.
- (d) The board by any or all of its members shall hear the parties at issue, their representatives, and witnesses, and shall determine the dispute in a summary manner. The award shall be filed with the record of proceedings, and a copy thereof shall immediately be sent by registered mail to each of the parties in dispute.
- (e) If an application for review is made to the board within thirty (30) days from the date of the award made by less than all the members, the full board, if the first hearing was not held before the full board, shall review the evidence, or, if deemed advisable, hear the parties at issue, their representatives, and witnesses as soon as practicable, and

shall make an award and file the same with the finding of the facts on which it is based and send a copy thereof to each of the parties in dispute, in like manner as specified in subsection (d).

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(f) An award of the board by less than all of the members as provided in this section, if not reviewed as provided in this section, shall be final and conclusive. An award by the full board shall be conclusive and binding unless either party to the dispute, within thirty (30) days after receiving a copy of such award, appeals to the court of appeals under the same terms and conditions as govern appeals in ordinary civil actions. The court of appeals shall have jurisdiction to review all questions of law and of fact. The board, of its own motion, may certify questions of law to the court of appeals for its decision and determination. An assignment of errors that the award of the full board is contrary to law shall be sufficient to present both the sufficiency of the facts found to sustain the award and the sufficiency of the evidence to sustain the finding of facts. All such appeals and certified questions of law shall be submitted upon the date filed in the court of appeals, shall be advanced upon the docket of the court, and shall be determined at the earliest practicable date, without any extensions of time for filing briefs. An award of the full board affirmed on appeal, by the employer, shall be increased thereby five percent (5%), and by order of the court may be increased ten percent (10%).

(g) Upon order of the worker's compensation board made after five (5) days notice is given to the opposite party, any party in interest may file in the circuit or superior court of the county in which the disablement occurred a certified copy of the memorandum of agreement, approved by the board, or of an order or decision of the board, or of an award of the full board unappealed from, or of an award of the full board affirmed upon an appeal, whereupon the court shall render judgment in accordance therewith and notify the parties. Such judgment shall have the same effect and all proceedings in relation thereto shall thereafter be the same as though such judgment has been rendered in a suit duly heard and determined by the court. Any such judgment of such circuit or superior court, unappealed from or affirmed on appeal or modified in obedience to the mandate of the court of appeals, shall be modified to conform to any decision of the industrial board ending, diminishing, or increasing any weekly payment under the provisions of subsection (i) upon the presentation to it of a certified

copy of such decision.

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(h) In all proceedings before the worker's compensation board or in a court under the compensation provisions of this chapter, the costs shall be awarded and taxed as provided by law in ordinary civil actions in the circuit court.

- (i) The power and jurisdiction of the worker's compensation board over each case shall be continuing, and, from time to time, it may, upon its own motion or upon the application of either party on account of a change in conditions, make such modification or change in the award ending, lessening, continuing, or extending the payments previously awarded, either by agreement or upon hearing, as it may deem just, subject to the maximum and minimum provided for in this chapter. When compensation which is payable in accordance with an award or settlement contract approved by the board is ordered paid in a lump sum by the board, no review shall be had as in this subsection mentioned. Upon making any such change, the board shall immediately send to each of the parties a copy of the modified award. No such modification shall affect the previous award as to any money paid thereunder. The board shall not make any such modification upon its own motion, nor shall any application therefor be filed by either party after the expiration of two (2) years from the **latest of the following:**
 - (1) The last day for which compensation was paid under the original award made either by agreement or upon hearing, except that applications for increased permanent partial impairment are barred unless filed within one (1) year from the last day for which compensation was paid for:
 - (A) temporary total disability;
 - (B) permanent partial impairment; or
 - (C) permanent total disability.
- (2) The date of an award for:
- 31 (A) temporary total disability;
- 32 **(B)** permanent partial impairment; or
- 33 (C) permanent total disability.
 - (3) The last day that medical services under section 17 of this chapter were provided to the employee.

The board may at any time correct any clerical error in any finding or award.

38 (j) The board or any member thereof may, upon the application of

either party or upon its own motion, appoint a disinterested and duly qualified physician or surgeon to make any necessary medical examination of the employee and to testify in respect thereto. Such physician or surgeon shall be allowed traveling expenses and a reasonable fee, to be fixed by the board. The fees and expenses of such physician or surgeon shall be paid by the state only on special order of the board or a member thereof.

(k) The board or any member thereof may, upon the application of either party or upon its own motion, appoint a disinterested and duly qualified industrial hygienist, industrial engineer, industrial physician, or chemist to make any necessary investigation of the occupation in which the employee alleges that he was last exposed to the hazards of the occupational disease claimed upon, and testify with respect to the occupational disease health hazards found by such person or persons to exist in such occupation. Such person or persons shall be allowed traveling expenses and a reasonable fee, to be fixed by the board. The fees and expenses of such persons shall be paid by the state, only on special order of the board or a member thereof.

(1) Whenever any claimant misconceives the claimant's remedy and files an application for adjustment of a claim under IC 22-3-2 through IC 22-3-6 and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury or death which was the basis for such application should properly have been made under the provisions of this chapter, then the application so filed under IC 22-3-2 through IC 22-3-6 may be amended in form or substance or both to assert a claim for such disability or death under the provisions of this chapter, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the worker's compensation board when deemed necessary. Nothing in this section contained shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice or time for filing a claim, but notice of filing of a claim, if given or done, shall be deemed to be a notice or filing of a claim under the provisions of this chapter if given or done within the time required in this chapter.".

Renumber all SECTIONS consecutively.

(Reference	is to HI	3 1536 as	introduced.)
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